1 2	CHARLES CARREON (127139) Online Media Law, PLLC 423 Gateway Drive #64 Tel: 650-735-5277			
3	Mob: 541-840-2798			
4	Attorney for Plaintiffs CRS Recovery, Inc. and Dale Mayberry			
5	eris receivery, me. and Bare mayberry			
6	UNITED STATES DISTRICT COURT			
7	NORTHERN DISTRICT OF CALIFORNIA			
8	CRS Recovery, Inc., a Virginia Corporation, and DALE MAYBERRY	Case No.: CV 06-07093 CW		
9	j j	MOTION TO ENTER DEFAULT ON FIFTH		
10	Plaintiffs,	CLAIM FOR RELIEF [15 U.S.C. § 1125(d)]; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF		
11	vs.	CHARLES CARREON AND EXHIBITS		
12	JOHN LAXTON, aka johnlaxton@gmail.com, ) NORTH BAY REAL ESTATE, INC., TIGER-)			
13				
14	JONATHAN LEE aka ) nameowner@yahoo.com, RL.COM, )			
15	MAT.NET, BULK REGISTER, WILD WEST) DOMAINS, dba DOMAINCITY.COM, and			
16	DOES $1 - 20$ ,			
17	Defendants.			
18				
19	MO	<u> TION</u>		
20				
21	Plaintiffs move the Court pursuant to 15	U.S.C. § 1125(d)(2)(A) for leave to proceed in		
22	rem against the Internet domain name RL.Com.			
23	Plaintiffs further move the Court pursuar	nt to Federal Rule of Civil Procedure 55(b) for an		
24	order entering a default judgment against the defendant domain name.			
25	The grounds for the motions are that plaintiffs' Fifth Claim For Relief alleges an <i>in rem</i>			
26	claim against RL.Com, and because all of the re-	quirements for proceeding in rem have been		
27	established, in that the plaintiffs have been unab	le to obtain in personam jurisdiction over the		
28	person of John Laxton or North Bay Real Estate, Inc., the email contact and registrants,			
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respectively, of the defendant domain at the time of the filing of this action, notwithstanding diligent efforts to make service upon said in personam defendants. This motion is based on the Complaint on file herein, the Memorandum of Points and Authorities hereinbelow, the Declaration of Charles Carreon, and on such evidence and argument as the Court may consider at the hearing on the motion. Dated: January 26, 2007 ONLINE MEDIA LAW, PLLC By: s/Charles Carreon/s CHARLES CARREON (127139) Attorney for Plaintiffs CRS Recovery, Inc. and Dale Mayberry 

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I.

**Facts** 

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#### MEMORANDUM OF POINTS AND AUTHORITIES

## A. The Basis of This Action

Plaintiffs's complaint alleges the following facts:

- Dale Mayberry ("Mayberry") is an individual, the original owner of RL.Com and MAT.Net, and a resident of Alexandria, Virginia.
- CRS Recovery Services, Inc. ("CRS") is a corporation organized under the laws
  of Virginia with a primary business address of 2141 Wisconsin Ave., NW Suite
  C2, Washington, DC 20007. Plaintiff is the assignee for consideration of the
  rights to recover RL.Com and MAT.Net and damages associated with the loss of
  their profitable use, and files this action standing in the shoes of Mayberry.
- John Laxton ("Laxton") is an individual with a principal address of P.O. Box 11777, Santa Rosa, CA 95406. Laxton's email address, according to the domain name registration, is "johnlaxton@gmail.com." Laxton acquired control over the RL.COM domain name in commerce in violation of plaintiffs' rights, and is holding the same in violation of law. North Bay Real Estate, Inc., is a suspended California corporation that Laxton has named as the current registrant of RL.Com.
- Li Qiang, aka Jonathan Lee, aka nameowner@yahoo.com is the current registrant of MAT.Net, and lists on the registration for this domain an address in Estonia.
- Wild West Domains, Inc., dba DomainCity.Com and Bulk Register are domain name registrars that currently hold the registration on the domains RL.Com and MAT.Net.

#### B. Plaintiffs' Efforts to Serve North Bay Real Estate, Inc. and John Laxton

As reflected in Exhibit 1, the Whois registration record for RL.Com shows the domain registered to North Bay Real Estate, Inc. ("NBREI"), with an Administrative Contact of John Laxton ("Laxton"), whose email address is <a href="mailto:johnlaxton@gmail.com">johnlaxton@gmail.com</a>. Laxton's address is listed as P.O. Box 11777, Santa Rosa, California 95406.

The California Secretary of State lists NBREI as a suspended corporation with the

address of 2113 Little River Avenue, Santa Rosa, CA 95401, with an agent for service of process

("McBride"), also performed a United States Postal Service search to discover Laxton's street

address, registered as the holder of P.O. Box 11777, Santa Rosa, California 95406 (the "PO

named Thomas D. Tollefson. (Exhibit 2.) Plaintiffs' process server, Kevin McBride

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Box"), and obtained the same address: 2113 Little River Avenue ("the Little River address"). (Exhibit 3.) McBride attempted to serve both Laxton and NBREI at the Little River address, without success, because it turned out to be the home of William and Jane Corchran. (Exhibit 3.) Having been unable to serve NBREI or Laxton personally, plaintiffs' counsel mailed copies of the summons, complaint, and required court orders, Certified Mail, to the two, with the following results<sup>1</sup>:

- The letter to Thomas Tollefson, agent for NBRI, mailed to the Little River address was returned undeliverable (Results of Return Receipt # 1847, Exhibit 6.)
- The letter to NBREI, at the PO Box, was delivered on January 9, 2007 (Results of Return Receipt # 1830, Exhibit 7.)
- The letter to Laxton, addressed to the PO Box, was delivered on January 5, 2007 (Results of Return Receipt 1854, Exhibit 8.).

Notwithstanding the apparent receipt of the summons and complaint by Laxton and NBREI at the PO Box, no response has been filed in this Court to the action, nor has plaintiffs' counsel been contacted by these in personam defendants.

Plaintiff has also served the summons, complaint and required court orders on Laxton at johnlaxton@gmail.com. (Exhibit 10.)

Return Receipt numbers are on left edge of the Return Receipts copied as Exhibit 5. References to Return Receipts refer to the last four digits only.

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#### II. The In Rem Provisions of the Anticybersquatting Consumer Protection Act

The Lanham Trademark Act, 15 U.S.C. § 1125, incorporates provisions for dealing with precisely the problem presented in this case – inability to obtain *in personam* jurisdiction over the Registrants of Internet domains that have been acquired by bad faith or deception. Subsection. The statute provides, in subsection 15 U.S.C. § 1125(d)(2), as follows:

- (A) The owner of a mark may file an in rem civil action against a domain name in the judicial district in which the domain name registrar, domain name registry, or other domain name authority that registered or assigned the domain name is located if—
  - (i) the domain name violates any right of the owner of a mark registered in the Patent and Trademark Office, or protected under subsection (a) or (c) of this section; and (ii) the court finds that the owner—
    - (I) is not able to obtain in personam jurisdiction over a person who would have been a defendant in a civil action under paragraph (1); or
    - (II) through due diligence was not able to find a person who would have been a defendant in a civil action under paragraph (1) by—
      - (aa) sending a notice of the alleged violation and intent to proceed under this paragraph to the registrant of the domain name at the postal and e-mail address provided by the registrant to the registrar; and (bb) publishing notice of the action as the
      - **(bb)** publishing notice of the action as the court may direct promptly after filing the action.
- **(B)** The actions under subparagraph (A)(ii) shall constitute service of process.
- (C) In an in rem action under this paragraph, a domain name shall be deemed to have its situs in the judicial district in which—
  - (i) the domain name registrar, registry, or other domain name authority that registered or assigned the domain name is located; or
  - (ii) documents sufficient to establish control and authority regarding the disposition of the registration and use of the domain name are deposited with the court.
  - (i) The remedies in an in rem action under this paragraph shall be limited to a court order for the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark. Upon receipt of written notification of a filed, stamped copy of a complaint filed by the owner of a mark in a United States district court under this paragraph, the domain name registrar, domain name registry, or other domain name authority shall—
    - (I) expeditiously deposit with the court documents sufficient to establish the court's control and authority regarding the disposition of the registration and use of the domain name to the court; and

(II) not transfer, suspend, or otherwise modify the domain name during the pendency of the action, except upon order of the court.

#### III. The Requisites of In Rem Jurisdiction Have Been Laid

This court has jurisdiction over the RL.COM domain name pursuant to 15 U.S.C. § 1125(d)(2)(A). Pursuant to the terms of the statute, a plaintiff may file an in rem civil action against a domain name in the judicial district in which the domain name registrar, domain name registry or other domain name authority that registered or assigned the domain name is located if: (a) the domain name violates any rights of Plaintiff; and (b) the court finds that the Plaintiff is not able to obtain in personam jurisdiction over a person who would have been a defendant in a civil action. Verisign, the registrar for the RL.COM domain name, is located in this judicial district. (Exhibit 9.)

Plaintiffs have exercised the due diligence required by the statute by: "sending a notice of the alleged violation and intent to proceed under this paragraph to the registrant of the domain name at the postal and e-mail address provided by the registrant to the registrar." (Exhibits 1 – 10.) The Complaint alleges forthrightly in the Fifth Claim for relief intent to proceed under the *in rem* provisions of the statute, and the same has been delivered to the PO Box address, and accepted on behalf of both NBREI and Laxton. The email sent to <a href="johnlaxton@gmail.com">johnlaxton@gmail.com</a> specifically states that plaintiffs are proceeding pursuant to 15 U.S.C. § 1125(d)(2). (Exhibit 10.) The requisites of the statute have been fulfilled, although the Court may still order plaintiffs to publish notice of the action. At this Court's direction, plaintiffs will publish notice of the action, although such would appear to be a futile gesture, and is not required by statute.<sup>2</sup>

#### IV. Entry of A Default Judgment Is Appropriate

Federal Rule of Civil Procedure 55 directs entry of a default judgment "when a party against whom a judgment for affirmative relief is sought has failed to plead or otherwise defend as provided by these rules and that fact is made to appear by affidavit or otherwise, the clerk shall enter the party's default."

<sup>&</sup>lt;sup>2</sup> Cal. Civil Code § 3532: "The law neither does nor requires idle acts."

#### V. The Court Is Requested To Order A Transfer

Plaintiffs seeks a judgment for affirmative relief against the RL.Com domain name. Such relief is limited by the *in rem* provision of 15 U.S.C. § 1125(d)(2) to "a court order for the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner." Plaintiffs request to have the domain name RL.Com transferred to CRS Recovery, Inc., which holds all rights to RL.Com pursuant to assignment from plaintiff Dale Mayberry. (Carreon Declaration, ¶ 3.) Accordingly, plaintiffs request the Court to proceed *in rem* against the domain name RL.Com, and to direct the current registrar, Bulk Register, to immediately transfer registration the RL.Com domain name to plaintiff CRS Recovery, Inc., designating CRS Recovery, Inc. as the Registrant, and Stevan Lieberman as the Administrative Contact, with contact information as follows: 314 Philadelphia Avenue, Takoma Park, Maryland 20912, Telephone 301-588-8393, fax 301-588-3292, email Stevan@aplegal.com.

#### VI. Conclusion

For all of the foregoing reasons, good cause exists for the Court to proceed *in rem* against the RL.Com domain, to enter a default against the defendant domain, and to issue an order in the form submitted herewith, transferring the domain to CRS Recovery, Inc.

Dated: January 26, 2007

ONLINE MEDIA LAW, PLLC By: s/Charles Carreon/s CHARLES CARREON (127139) Attorney for Plaintiffs CRS Recovery, Inc. and Dale Mayberry

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#### **DECLARATION OF CHARLES CARREON**

Charles Carreon declares and states as follows:

- 1. I am an attorney licensed to practice law in the State of California, and the attorney for the plaintiffs herein. I make this declaration in support of the herein motions to proceed *in rem* against the domain name RL.Com, and to enter a default against the defendant domains based on personal knowledge and an informed review of the the files and documents herein, including the Whois database (the public record of Internet domain ownership) and the California Secretary of State's website. If called as a witness I could and would so competently testify.
- 2. CRS Recovery, Inc. is the assignee for value of all rights to the RL.Com domain from the original registrant, plaintiff Dale Mayberry. CRS Recovery, Inc. requests the Court to direct the transfer of the RL.Com domain to the following registrant contact information:

Registrant: CRS Recovery, Inc.

Administrative Contact: Stevan Lieberman

Address: 314 Philadelphia Avenue, Takoma Park, Maryland 20912

Telephone: 301-588-8393

Fax 301-588-3292

Email Stevan@aplegal.com

3. Attached hereto are the following true and correct copies of Exhibits 1 − 9, identified as follows:

1.	Whois registration of RL.Com
2.	California Secretary of State Record on North Bay Real Estate, Inc.
3.	Certificate of Non Service on John Laxton

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4.	Certificate of Non Service on North Bay Real Estate, Inc.
5.	Certified Mail Receipts
6.	US Postal Service record for tracking Certified Mail Receipt
	7006 0810 0005 0946 1847
7.	US Postal Service record for tracking Certified Mail Receipt
	7006 0810 0005 0946 1830
8.	US Postal Service record for tracking Certified Mail Receipt
	7006 0810 0005 0946 1854
9.	California Secretary of State record for Verisign
10.	Email to johnlaxton@gmail.com

I hereby declare, pursuant to the provisions of 28 U.S.C. § 1746 (2), under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed at Pacifica, California on January 26, 2007

s/Charles Carreon/s Charles Carreon, Declarant Case4:06-cv-07093-CW Document9 Filed01/26/07 Page10 of 29

Registration Service Provided By: BulkRegister.com

Contact: udrp@bulkregister.com

Domain name: rl.com

#### Registrant Contact:

NORTHBAY REAL ESTATE, INC. NORTHBAY REAL ESTATE, INC. (NA)

Fax:

PO Box 11777

Santa Rosa, CA 95406

US

#### Administrative Contact:

John Laxton

John Laxton (johnlaxton@gmail.com)

+1.7078377100

Fax:

PO Box 11777

Santa Rosa, CA 95406

US

#### Technical Contact:

John Laxton

John Laxton (johnlaxton@gmail.com)

+1.7078377100

Fax:

PO Box 11777

Santa Rosa, CA 95406

US

Status: Locked

Name Servers:

ns1.trafficz.com

ns2.trafficz.com

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# From: California Secretary of State Business Portal at <a href="http://kepler.ss.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C1634050">http://kepler.ss.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C1634050</a>

NORTH BAY REAL ESTATE, INC.				
Number: C1634050	Date Filed: 2/23/1989	Status: suspended		
Jurisdiction: California				
Address				
2113 LITTLE RIVER AVENUE				
SANTA ROSA, CA 95401				
Agent for Service of Process				
THOMAS D TOLLEFSON				
2113 LITTLE RIVER AVENUE				
SANTA ROSA, CA 95401				

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CRS RECOVERY, INC., A VIRGINIA CORPORATION, AND DALE MAYBERRY

Plaintiff/Petitioner

VS.
JOHN LAXTON, AKA JOHNLAXTON@GMAIL.COM,
NORTH BAY REAL ESTATE, INC., TIGERCDM, ET AL.,

Defendant/Respondent

Hearing Date:

CAUSE NO. C06-07093-CW

DECLARATION OF NON SERVICE: SUMMONS; CIVIL COVER SHEET; COMPLAINT

The undersigned hereby declares: That s(he) is now and at all times herein mentioned was a citizen of the United States, over the age of eighteen, not an officer of a plaintiff corporation, not a party to nor interested in the above entitled action, and is competent to be a witness therein.

Declarant states s(he) attempted to serve JOHN LAXTON at the address of: P.O. BOX 11777, SANTA ROSA, Sonoma County, CA, and was unable effect service for the following reasons:

UNABLE TO SERVE PO BOX...POSTAL SEARCH PROVIDED THE ADDRESS OF 2113 LITTLE RIVER RD SANTA ROSA CA 95401. BAD ADDRESS...THIS IS THE ADDRESS OF WILLIAM AND JANE CORCHRAN.

Declarant hereby states under penalty of perjury under the laws of the State of California that the statement above is true and correct.

DATED this 29th day of November, 2006.

KEVIN MCBRIDE, Reg. # P-358, SONOMA

ABC's Client Name Kronenberger Burgoyne, LLP 5753.001

ORIGINAL PROOF OF SERVICE

ABC Tracking #: 8024103

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CRS RECOVERY, INC., A VIRGINIA CORPORATION, AND DALE MAYBERRY

NORTH BAY REAL ESTATE, INC., TIGER-

CDM, ET AL.,

Plaintiff/Petitioner

vs. JOHN LAXTON, AKA JOHNLAXTON@GMAIL.COM,

Defendant/Respondent

Hearing Date:

CAUSE NO. C06-07093-CW

DECLARATION OF NON SERVICE:
CIVIL COVER SHEET; SUMMONS; COMPLAINT

The undersigned hereby declares: That s(he) is now and at all times herein mentioned was a citizen of the United States, over the age of eighteen, not an officer of a plaintiff corporation, not a party to nor interested in the above entitled action, and is competent to be a witness therein.

Declarant states s(he) attempted to serve NORTH BAY REAL ESTATE, INC. at the address of: 2113 LITTLE RIVER Avenue, Santa Rosa, Sonoma County, CA, and was unable effect service for the following reasons:

BAD ADDRESS...THIS IS A RESIDENCE BELONGING TO WILLIAM AND JANE CORCHRAN.

Declarant hereby states under penalty of perjury under the laws of the State of **California** that the statement above is true and correct.

DATED this 29th day of November, 2006.

KEIVN MCBRIDE, Reg. # P-358, SONOMA

ABC's Client Name
Kronenberger Burgoyne, LLP
5753.001

ORIGINAL PROOF OF SERVICE ABC Tracking #: **8024109** 

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#### PACIFICA MAIN POST OFFICE PACIFICA, California 940449998 0567830185 -0098 (800)275-8777 01/04/2007 05:03:47 PM Sales Receipt Product Sale Unit Final Qty Price Description Price 39c Stamp \$0.39 \$0.39 SANTA ROSA CA 95401 \$1.35 First-Class 4.20 oz. Certified \$2.40 70060810000509461847 Label #: ----Issue PVI: \$3.75 SANTA ROSA CA 95406 \$1.35 First-Class 4.40 oz. \$2,40 Certified 70060810000509461854 Label #: \$3.75 Issue PVI: SANTA ROSA CA 95406 \$1.35 First-Class 4.30 oz. Certified \$2.40 70060810000509461830 Label #: \_\_\_\_\_ \$3.75 Issue PVI: \$11.64 Total: Paid by: \$11.64 Debit Card XXXXXXXXXXXXX4341 760464

Order stamps at USPS.com/shop or call 1-800-Stamp24. Go to USPS.com/clicknship to print shipping labels with postage. For other information call 1-800-ASK-USPS. Bill#: 1000202664339 Clerk: 09

Approval #:

Transaction #:

23 903470375 Receipt#:

All sales final on stamps and postage. Refunds for guaranteed services only. Thank you for your business. Customer Copy

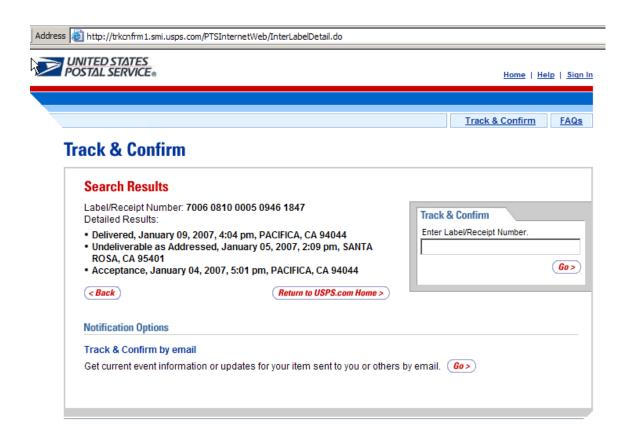
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U.S. Postal Service™ CERTIFIED MAIL RECEIPT 3 (Domestic Mail Only; No Insurance Coverage Provided) 12 SANTA ROSA CA 0 01852 \$1. Postage 09 S \$2. Certified Fee Return Receipt Fee (Endorsement Required) \$0.00 Restricted Delivery Fee (Endorsement Required) \$0.00 87 \$3.75 Total Postage & Fees | \$ Sent TO NORTH BAY REAL EST  $\equiv$ Street, Apt. No.: or PO Box No. City, State, ZIP+4 Rosa, CA See Reverse for Instructions **U.S. Postal Seg** CERTIFIED MAIL RECEIP (Domestic Mail Only; No Insurance Coverage or delivery inform 946 SANTA ROSA ō Postage \*(F) 090 Ŋ Certified Fee 000 Postmerk **\$0.00** Return Receipt Fee (Endorsement Required) Here 🔌 Restricted Delivery Fee (Endorsement Required) \$0.0 187 \$3 Total Postage & Fees 900 Sent To Thomas Agent for NexTM Street, Apt. No.; BAY REAL or PO Box No. LITATE, INC. City, State, ZIP+4 See Reverse for Instructions PS Form 3800, June 2002 U.S. Postal Service™

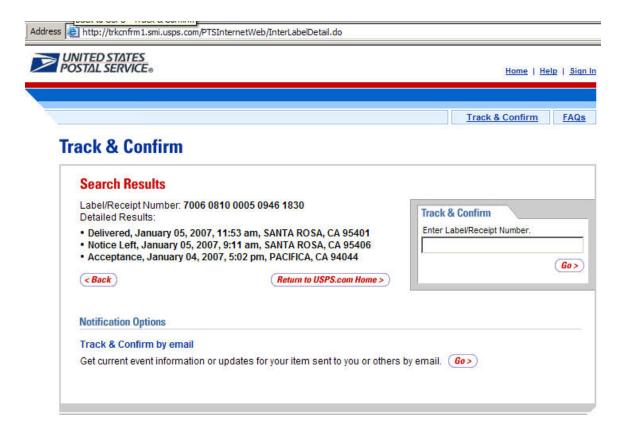
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0.5	Certified Fee	\$2 <b>\f</b> 09 \( \to \text{ QC}			
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0870	Restricted Delivery Fee (Endorsement Required)	\$0.00			
	Total Postage & Fees	\$ \$3.75 91/97/2007			
	(A-47-				
7006		Laxton L			
[~	Street, Apt. No.; or PO Box No.	C. Box 11777			
	l City State 71P.A	TA ROSA, CA 95406			
	PS Form 3800, June 200	2 See Reverse for Instructions			

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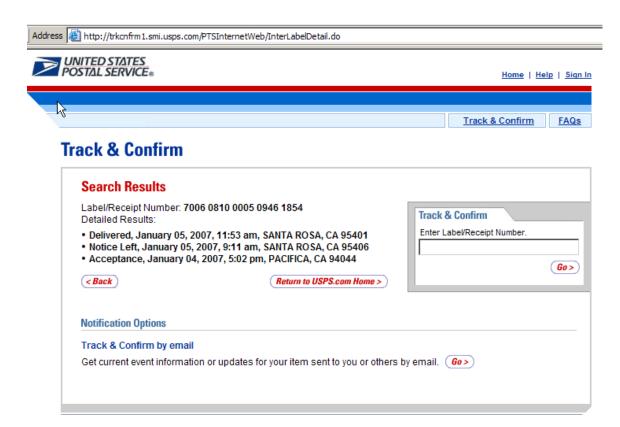
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